Approved For Release 2001/03/05 : CIA-RDP82-00457R0\(\delta 2 \) CLASSIFICATION SECRET/CONTROL - U.S. OFFICIALS CHIX REPORT NO. CENTRAL INTELLIGENCE AGENCY INFORMATION REPORT 25X1A CONFIDENTIAL 18 November 1948 DATE DISTR. China COUNTRY Armed Communist Infiltration of Shanghai NO. OF PAGES SUBJECT General Conditions in Shanghai Panic Among Government Officials in Nanking NO. OF ENCLS. PLACE ACQUIRED SUPPLEMENT TO REPORT NO. 25X1X * Except as noted the transfer to a second of the contract of the party of THIS DOCUMENT CONTAINS IMPORMATION AFFECTING THE DATIONAL DEFRISSE OF THE UNITED STATES WITHIN THE HEARING OF THE ESPIGNAGE ACT SO U. S. C. 31 AND 32. AS ABENDED. ITS TRANSMISSION OF THE REFELATION OF THE CAPTURE THE THE TANK AMERIT TO AN UNBUTHORIZED PERSON IS PROPRIED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM HAY DE OTILIZED AS DEEMED RECESSARY BY THE RECEIVING AGENCY. THIS IS UNEVALUATED INFORMATION FOR THE RESEARCH USE OF TRAINED INTELLIGENCE ANALYSTS . recent and the second 25X1X SOURCE About 1,000 Communists with light arms entered Shanghai on 13 November, bringing the total number of armed Communists in Shanghai to an estimated 3,000. They held a meeting on 14 November. The purpose of these Communists was to instigate rice riots, using the slogan, "anti-hunger". However, the food situation was alleviated before their arrival. 3. They now plan to organize a campaign against eight years of war called for by the Generalissimo, under the slogan, "anti-suffering-for-war and (anti)suppression-of-people". 4. The Shanghai Carrison and police have been unable to locate these Communists. They feel that the Communists in Shanghai will remain under control so long as the military situation in Hauchou remains fundamentally unchanged. 5. Layor .U Kuo-chen of Shanghai stated that he will have ten million picule of rice by Chinese New Year. This is a six months' supply. Shanghai labor conditions are continuing to deteriorate. On 16 November Mayor MU, HSUAN Tieh-wu, Shanghai police chief, and other officials met to discuss the situation. Layor WU expressed his intention to decree death for strikers. Comment. It is doubtful that the mayor's proposed action will bring 25X1X results. Tranway and power company workers are ready to strike.) 7. On 15 November government officials in Nanking became panicky and were attempting to leave Nancing en masse, but the Generalissimo persuaded them to remain. Their families wil! be allowed to leave. The Communists are expected 8. Shanghai will probably be safe for the next month. to make a move to capture Shanghai prior to January 1948 in order to present the United States Congress with a fait accompli. This document is hereby regraded to Document No. CONFIDENTIAL in accordance with the NO CHANGE IN Clabs letter of 16 October 1973 from the Director of Central Intelligence to the Degraphihito Archivist of the United States. dabraeb. Class. DDA Memo, Next Review Date: 2008 DDA REG. 77/1763 bate: 1 1 MAI 378 - By: SECRET/CONTROL - U. S. OFFICIALS ONLY CLASSIFICATION \\ STATE X NSRB DISTRIBUTION X NAVY X AIR

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